Audit

Report

YEAR 2000 CONTINGENCY PLANS FOR PERSONNEL SYSTEMS

Report No. D-2000-060   December 16, 1999

Office of the Inspector General
Department of Defense

Acronyms

CPMS	Civilian Personnel Management Service
DCPDS	Defense Civilian Personnel Data System
Y2K	Year 2000

INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-2884

December 16, 1999

MEMORANDUM FOR AUDITOR GENERAL, DEPARTMENT OF THE ARMY
INSPECTOR GENERAL, DEPARTMENT OF THE NAVY
ASSISTANT SECRETARY OF THE AIR FORCE
(FINANCIAL MANAGEMENT AND COMPTROLLER)
DIRECTOR, CIVILIAN PERSONNEL MANAGEMENT
SERVICE

SUBJECT: Audit Report on Year 2000 Contingency Plans for Personnel Systems
(Report No. D-2000-060)

We are providing this report for your information and use. This report is one in
a series of reports that the Inspector General, DoD, is issuing in accordance with an
informal partnership with the DoD Chief Information Officer to monitor the DoD
efforts to address the year 2000 computing challenge. Although management comments
were not were not required, we considered comments from the Air Force Assistant
Deputy Chief of Staff for Personnel on a draft of this report in preparing the final
report. This report contained no recommendations; therefore additional comments are
not required.

We appreciate the courtesies extended to the audit staff. For additional
information on this report, please contact Mr. Charles M. Santoni at (703) 604-9051
(DSN 664-9051) (csantoni@dodig.osd.mil) or Mr. Robert L. Shaffer at (703) 604-9043
(DSN 664-9043) (rshaffer@dodig.osd.mil). See Appendix B for the report distribution.
Audit team members are listed inside the back cover.

Robert J. Lieberman
Assistant Inspector General
for Auditing

Office of the Inspector General, DoD

Report No. D-2000-060   December 16, 1999
(Project No. 9AL-0053)

Year 2000 Contingency Plans for Personnel Systems

Executive Summary

Introduction. This report is one in a series of reports that the Inspector General, DoD, is issuing in accordance with an informal partnership with the DoD Chief Information Officer to monitor DoD efforts in addressing the year 2000 computer challenge. For a listing of audit projects addressing the issue, see the year 2000 web pages on the Ignet at http://www.ignet.gov.

The DoD Year 2000 Management Plan states that each core mission of function and critical process should have an operational contingency plan. An operational contingency plan is a road map of predetermined actions that will streamline decision-making during the contingency to enable resumption of mission operations at the earliest possible time, in the most cost-effective manner.

Objectives. The overall objective was to evaluate the effectiveness of year 2000 operational contingency plans for personnel systems. Specifically, we reviewed the contingency plans and any exercise results.

Results. The Military Services prepared realistic operational contingency plans for the military mission-critical personnel systems that support personnel functions and exercised those plans in accordance with DoD guidance. The operational contingency plans recognize that manual alternatives may not be feasible for some personnel functions because of manpower resources. If system failures occur, some personnel actions may not be performed in a timely manner or may be suspended until the systems are restored.

The Civilian Personnel Management Service developed an operational contingency plan for the civilian personnel system. However, although Civilian Personnel Management Service officials stated that the regional service centers had detailed operating procedures on how they would handle the increased workload of manually processing personnel transactions if the civilian personnel system experiences a year 2000 disruption, they were unable to provide us a copy of procedures for any regional service center. As a result, we did not document that the regional service centers would be able to effectively handle an increased workload of manual personnel transactions. Because the Civilian Personnel Management Service was continuing its efforts to obtain the plans from the regional service centers, we did not make a recommendation. See the Finding section of the report for a discussion of the audit results.

Management Comments. The Air Force Assistant Deputy Chief of Staff for Personnel nonconcurred with the finding stating that the Air Force Personnel Center, the only regional service center for the Air Force, had done extensive work in preparing for a possible Y2K contingency situation including developing procedures to follow if the civilian personnel system was not available. Those procedures include augmenting the staff of the Air Force Personnel Center with staff from the customer support units if there were a backlog due to manual transactions. Funding has been set aside to cover any travel or overtime costs associated with working through the backlog. In addition to his comments, the Assistant Deputy Chief of Staff provided us with numerous documents to support his comments.

Audit Response. We appreciated the information provided by the Air Force and urge that it be shared with the Civilian Personnel Management Service, which was unable to provide us a copy of the detailed operating procedures of any regional service center on how it would handle the increased workload of manually processing personnel transactions if the civilian personnel system experiences a year 2000 disruption. Civilian Personnel Management Service officials stated that, as of November 5, 1999, none of the 22 regional service centers had provided them with component-specific plans or certifications as required. We did not contact the individual regional service centers to determine if they had developed detailed operating procedures, since the Civilian Personnel Management Service was continuing efforts to get the regional service centers to provide the plans and certifications.

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Background

The Year 2000 (Y2K) Problem. Computer systems have typically been designed to use only the last two digits for the year; thus, the year 2000 is indistinguishable from the year 1900. As a consequence, computers and associated software that use dates to calculate, compare, or sort data could generate incorrect results when working with years after 1999. The potential for computer system failure after the year 1999 is often referred to as the Y2K problem.

Executive Order. Because of the potential failure of computers to function throughout the Government, the President issued Executive Order 13073, "Year 2000 Conversion," February 4, 1998, making it policy that Federal agencies ensure that no critical Federal program experiences disruption because of the Y2K problem. The order requires that the head of each agency ensure that efforts to address the Y2K problem receive the highest priority attention in the agency.

DoD Year 2000 Management Strategy. In his role as the DoD Chief Information Officer, the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence), issued the "DoD Year 2000 Management Plan" (DoD Management Plan) in December 1998. The DoD Management Plan recognizes that all automated information systems will not achieve the goal of being Y2K compliant by January 1, 2000. Systems that have been renovated and tested could fail. Using the remaining time and budget, DoD must prioritize systems to ensure that the most mission-critical systems are functionally capable of supporting missions, as well as sustaining the national military strategy. Contingency plans provide a means to minimize the adverse effects of disruptions by ensuring that procedures are in place to expedite the restoration of the system and to continue the mission or function while system support is not available. Components are expected to review their contingency plans and those of their subordinate commands to the depth that it can be ensured that all operational objectives will be met, the primary mission will be conducted, and essential products or services will be delivered to their respective customers.

Objectives

The overall objective was to evaluate the effectiveness of year 2000 operational contingency plans for personnel systems. Specifically, we reviewed the contingency plans and any exercise results. See Appendix A for a discussion of the audit scope, methodology, and prior audit coverage.

Operational Contingency Plans for DoD Personnel Functions

The Military Services prepared realistic operational contingency plans for the military mission-critical systems supporting personnel functions and exercised their contingency plans in accordance with DoD guidance. The operational contingency plans recognize that manual alternatives may not be feasible for some personnel functions because of manpower resources. Therefore, the Military Services focused operational contingency plans and exercises on ensuring that warfighting missions are not significantly impacted. If system failures occur, some personnel actions may not be performed in a timely manner or may be suspended until the systems are restored.

The Civilian Personnel Management Service (CPMS) developed an operational contingency plan for the civilian personnel system. However, although CPMS officials stated that the regional service centers had detailed operating procedures on how they would handle the increased workload of manually processing personnel transactions if the civilian personnel system experiences a year 2000 disruption, they were unable to provide us a copy of the procedures for any regional service center. As a result of our audit, the CPMS sent a memorandum to each of the regional service centers restating the requirement for the regional service centers to develop component-specific plans and for the functional and technical representatives to certify the viability of the component-specific plans. However, as of November 5, 1999, none of the regional service centers had responded and CPMS was still trying to get the regional service centers to cooperate. As a result, it was not yet documented that the regional service centers would be able to effectively handle the increased workload of manual personnel transactions.

Personnel Systems Environment

DoD military personnel, manpower, and training systems are primarily developed, funded, and operated by the Military Services. Each Military Service has a unique set of military personnel requirements that involves numerous systems and interfaces. While some functional cross-Service activity occurs, it is generally outside the information technology area. As a result, each Military Service was developing its own test plans, contingency plans, and continuity of operation plans. Civilian personnel functions within DoD are managed through a single personnel system, the Defense Civilian Personnel Data System (DCPDS), managed by the CPMS, which contracts with the Air Force to operate the DCPDS.

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DoD Personnel Functions

On June 17, 1999, the Under Secretary of Defense for Personnel and Readiness issued "Functional End-to-End Evaluations and Contingency Planning for Personnel Systems: Year 2000 Problem, Version 4.1," to provide policy oversight and coordination of DoD-wide initiatives and to report functional evaluations and contingency planning for the personnel community. A primary thrust of the Under Secretary's Y2K guidance was in the area of contingency planning. The Under Secretary indicated that the development of flexible contingency plans is vital to the continued operations of DoD and required the Military Services to fully evaluate all functions that he designated as critical. The Under Secretary identified the following eight personnel functions as critical:

- Access: the functional process for bringing civilians into the Military Services.

- Mobilize: the activation of guard and reserve members to active duty status.

- Deploy: the personnel activities relating to the movement of personnel from their normal duty station to the site of an operational location where needed.

- Locate: the Military Services' ability to find individuals based on a geographic location.

- Pay: the ability to provide personnel data to the pay systems.

- Separate: the separation of a member from the Military Service for any reason.

- Retire: the regular and disability retirement process from the Services.

- Casualty Support: the activities dealing with supporting the reporting and tracking of casualties.

DoD Guidance on Operational Contingency Plans

The DoD Management Plan, Appendix H, "Y2K Contingency Planning Guidelines and Examples," states that each DoD component will provide guidance as to which echelons or organizational levels are required to prepare and document operational contingency plans. The Management Plan defines a contingency plan as "a road map of predetermined actions that will streamline decision-making during the contingency to enable resumption of mission operations at the earliest possible time, in the most cost-effective manner."

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The DoD Management Plan states that operational contingency plans should identify alternative systems or procedures to use in the event a primary system is disrupted. Each core mission, function, and critical process should have an operational contingency plan. The group responsible for executing the core mission process is responsible for developing and executing the operational contingency plan. Commanding Officers and civilian directors should document alternative systems in order to be able to sustain the minimum operational capabilities required in supporting the national military strategy. The Management Plan does not require that continuity of operations policy and planning be developed. However, if already developed, it may be used in lieu of a Y2K operational contingency plan provided that it has been made "Y2K aware" by updating its content or adding a Y2K appendix to reflect a recovery strategy that addresses disruptions caused by Y2K.

Military Services' Operational Contingency Plans

The Military Services generally have realistic operational contingency plans for mission-critical personnel functions if the supporting systems experience Y2K disruptions.

Army. The Army developed an effective and realistic operational contingency plan that focuses on the development of detailed steps for manually completing critical personnel transactions. By focusing on the detailed steps, the Army's operational contingency plan ensures that the user is knowledgeable in the manually processing of critical personnel transactions. The Army completed the following steps in developing its operational contingency plan:

- identified the critical personnel functions required to perform its mission;

- identified the mission-critical transactions supporting each of the critical personnel functions;

- identified and coordinated with Army and DoD organizations involved in processing mission-critical transactions;

- developed detailed steps for manually completing each transaction, ensuring that users would know how to complete the transaction manually; and

- identified back-up systems for each system such as personal computers and servers, fax machines, copy paper, and commercial off-the-shelf software.

The Army stated that it would invoke the operational contingency plan for a given functional area when pre-defined trigger events have occurred. If only one system fails, the Army will rely on the system contingency plan for the respective failed system.

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Navy. The Navy's operational contingency plan provides realistic contingencies if personnel systems experience a Y2K disruption. To perform its personnel functions, the Navy is dependent on two primary systems: the Manpower Personnel and Training Management and Administration System for active duty personnel actions and the Inactive Manpower and Personnel Management Information System for reserve personnel actions. Therefore, the Navy's plan had two levels of Y2K failures:

- Level 1 failure occurs when one or more of the Navy personnel systems (other than Manpower Personnel and Training Management and Administration System or Inactive Manpower and Personnel Management Information System) experience a Y2K disruption.

- Level 2 failure occurs when there is a Y2K disruption in the Manpower Personnel and Training Management and Administration System or Inactive Manpower and Personnel Management Information System systems.

If a level 1 failure occurs, both active duty and reserve personnel transactions can be manually input directly into the Manpower Personnel and Training Management and Administration System or Inactive Manpower and Personnel Management Information System, respectively. If a level 2 failure occurs, the Navy would manually process the critical personnel transactions as defined in the operational contingency plan. The Navy had defined realistic manual processes for its critical personnel transactions. The Navy realizes that the manual processes defined in the operational contingency plan require significant manpower resources and has procedures in place for retrieving lost or damaged data.

Air Force. The Air Force developed a realistic operational contingency plan for the personnel functions of readiness, promotions, assignments, accessions, retirements, and separations. The operational contingency plan identifies the mission and criticality of those personnel functions and their supporting systems and identifies the risks, assumptions, vulnerabilities, and impacts associated with a potential Y2K disruption. The operational contingency plan describes the manual procedures needed to process personnel transactions in the event of a Y2K disruption. The plan also identifies the roles and responsibilities, as well as the training, of the individuals that will execute the plan. The Air Force plan discusses such disruptions as loss of electrical power and communication lines, failure of automated information system personal computers, and personnel shortages. To develop the plan, the Air Force reviewed each personnel function process to plan how the processes would work if the supporting automated system was not available. The operational contingency plan considered what would be needed to perform the mission-critical processes for the first 90 days of Y2K. The Air Force also prioritized the processes based on potential impact on the mission. Given that there will likely be some amount of system capability, the plan focused on a range of contingencies, based on varying degrees of system availability from full to none.

Marine Corps. The Marine Corps Y2K operational contingency plan for personnel functions provides adequate manual contingencies for mission-critical functions relating to locating, mobilizing, and deploying personnel; and tracking and reporting casualties. The Marine Corps plan identifies risks, assumptions, impacts, and vulnerabilities for several risk factors and details necessary actions at the division and user levels. The Marine Corps assessed and developed appropriate contingencies for specific risk factors and potential failure scenarios. The contingency plan was coordinated at all levels of the Marine Corps and was approved by the Marine Corps Deputy Chief of Staff for Manpower and Reserve Affairs.

Although the Marine Corps considers accessions essential to its warfighting mission, the Marine Corps did not develop manual alternatives for accessions in the event of a Y2K failure. The Marine Corps did not believe manual alternatives for accessions were feasible because they would require the realignment of scarce manpower resources that the Marine Corps does not believe would be practical or cost effective. For the same reasons, the Marine Corps did not develop manual alternatives for the functions related to pay, separation, and retirements. In the event of a Y2K failure, the Marine Corps will suspend processing personnel transactions for those functions until the required resources to correct the system failure could be applied. While these functions were deemed mission-critical by the Under Secretary of Defense for Personnel and Readiness, the Marine Corps deemed only accessions, mobilization, and deployment as functions essential to its warfighting mission and requirements. The Marine Corps is willing to wait for system resolution if a failure in the systems that support the accessions, pay, separation, and retirements occurs.

Exercising of the Military Operational Contingency Plans

Year 2000 Contingency Plan Validation. Contingency plans must be validated to assure that alternatives are realistic and executable. The plans must be reviewed and updated on a regular basis to accommodate any changes. Contingency plans are validated primarily through exercises. Objectives of validation include:

- verifying that contingent procedures are correct and executable,

- verifying that information is correct and accurate,

- verifying that all personnel understand their roles, and

- identifying deficiencies.

The DoD Management Plan allows the Military Services to choose whether to use actual operations exercises, procedure verification exercises, or tabletop exercises to evaluate an operational contingency plan. A description of the three types of exercises follows:

- An actual operations exercise involves shutting down the primary system and re-establishing the application at a back-up site. This method offers the greatest opportunity to conduct training and raises the level of assurance that the contingent actions will work.

- A procedure verification exercise includes a review of operations to verify that they support the recovery strategy. This method provides minimal interruption to a system. A procedure verification exercise helps ensure that contingency plans contain an accurate description of processes and procedures, personnel assignments, and telephone numbers.

- A tabletop exercise is a structured discussion of actions to be taken in response to a scenario. This validation method involves selecting a wide-range of participants to discuss the responses to the disruption of the system. A tabletop exercise offers a view of the big picture, causes no interruption to an operating system, and may be conducted at a relatively low cost. The contingency plan is updated to incorporate the lessons learned during the exercise.

Exercises Performed by the Military Services. All of the Military Services participated in the Positive Response Year 2000 Mobilization Exercise in January 1999. The Joint Chiefs of Staff coordinated the Positive Response Exercise to assess the national capability to conduct sustainment support operations in response to failure of selected mission-critical systems needed to fulfil the mobilization mission.

Although tabletop exercises are provided as an option in the evaluation of contingency plans, actual operations exercises are more effective. The Army conducted actual operations exercises to evaluate operational contingency plans for all mission-critical personnel functions. We commend the Army for using the actual operations exercise method. With the exception of the systems supporting the mobilization function, Navy, Air Force, and Marine Corps generally used tabletop exercises as the primary method to validate operational contingency plans. A description of the type of validation exercises that each Military Service performed follows.

Army. The Army exercised its operational contingency plan for its mission-critical personnel functions by using actual operations exercises to evaluate and validate the plan. During the Positive Response exercise for the mobilization function, the Army found a number of deficiencies in its operational contingency plan. The Army re-evaluated and revised the plan for all mission-critical personnel functions and received permission from the Joint Chiefs of Staff to include all mission-critical personnel functions in another Positive Response Exercise held in August 1999. That exercise demonstrated that the Army could perform its mission-critical functions in a worst case scenario--when all information systems supporting the mission-critical functions become unavailable. Although most of the contingencies exercised worked successfully as written, several aspects of the plan were incomplete or required minor changes. For example, the exercising of the contingencies for enlisted accession transactions was not completed because of problems with a vital link

in the training and strength management process. Also, operations testing of the contingencies related to strength management showed that an Army form needed to be re-designed to permit additional categorization of strengths. The Army has reevaluated the contingencies related to enlisted accessions and strength management transactions and has completed its fielding of the Personnel Data Reporting System, a commercial system that the Army obtained specifically in support of the operational contingency plan.

Navy. The Navy used tabletop exercises as its primary method for evaluating the operational contingency plan for active and reserve duty personnel actions. However, the Navy did participate in a Positive Response Exercise to evaluate its mobilization function. Overall, the various exercises showed that the Navy would be able to perform critical personnel functions in the event of a Y2K disruption. The Navy identified several deficiencies. Specifically, deficiencies were identified in defining the format of data relating to reserve drill pay. The exercise of the mobilization function showed that additional training on establishing pay accounts was required. The Navy has provided additional training, conducted additional discussion with the Defense Finance and Accounting Service, and modified the operational contingency plan to address any documentation deficiencies.

Air Force. The Air Force evaluated its operational contingency plan for personnel functions primarily through tabletop exercises. The Air Force has been conducting tabletop exercises periodically. The Air Force stated that the tabletop exercises completed showed that the processes to complete the manual contingencies were understood by the users and would allow the Air Force to perform critical personnel functions. However, the exercises have shown that the Air Force needed to update and revise the operational contingency plan to address deficiencies in the documentation. Deficiencies included preparation steps not being well-defined and feasible or essential personnel not being identified or updated. The Air Force will not be re-exercising its operational contingency plan because the deficiencies found related to documentation of the plan and not the processes for completing the manual contingencies.

Marine Corps. The Marine Corps used tabletop exercises and similar reviews to validate its operational contingency plan for personnel functions with defined manual contingencies. Through the tabletop exercises the Marine Corps identified several deficiencies in the plan and modified the plan to correct the deficiencies and incorporate lessons learned. In conducting its tabletop exercises, the Marine Corps felt that some personnel functions have been automated to the point that resource requirements to execute the operational contingency plan were deemed unrealistic in terms of personnel, funding, and training.

Defense Civilian Personnel Data System Operational Contingency Plans

CPMS developed an operational contingency plan for the civilian personnel system. In the event that a Y2K disruption impacts the DCPDS, the CPMS has

identified approximately 100 emergency personnel transactions that would be performed manually by the regional service centers. An example of an emergency personnel transaction would be ensuring that death benefits were quickly paid to a survivor. CPMS officials indicated they did not plan to exercise the operational contingency plans because DCPDS personnel were familiar with the procedures for processing manual transactions, having performed them in the past. Therefore, CPMS officials felt that conducting exercises to validate the operational contingency plans for the civilian personnel function was not necessary.

CPMS officials stated that the regional service centers had detailed operating procedures on how they would handle the increased workload of manual transactions. When we requested that CPMS provide us a copy of those procedures, CPMS was unable to do so. As a result, CPMS sent a memorandum to each of the regional service centers restating the requirement for the regional service centers to develop component-specific plans and for the functional and technical representatives to certify the viability of the component-specific plans. The certifications were due to CPMS by October 29, 1999. However, as of November 5, 1999, none of the regional service centers had provided component-specific plans or certifications. Because CPMS was continuing efforts to get the regional service centers to provide plans, we did not make a recommendation. However, a risk remains that the regional service centers will not be able to effectively handle the increased workload of manual personnel transactions. Inspector General, DoD, Report No. 00-025, "End To End Testing for Personnel Systems," October 26, 1999, stated that the Air Force end-to-end test involving the DCPDS was not as rigorous as required by the criteria set forth in the DoD Management Plan. Because of the remaining risk of not exercising DCPDS in the end-to-end test, the effectiveness of the contingency plan for DCPDS becomes increasingly important.

Management Comments on the Finding

Although the report did not make specific recommendations and written comments were not required, the Air Force Assistant Deputy Chief of Staff for Personnel provided comments on the finding. For the full text of Air Force comments, see the Management Comments section of the report.

Air Force Comments. The Assistant Deputy Chief of Staff for Personnel nonconcurred with the finding stating that the Air Force Personnel Center, the only regional service center for the Air Force, had done extensive work in preparing for a possible Y2K contingency situation including developing procedures to follow if the civilian personnel system was not available. Those procedures include augmenting the staff of the Air Force Personnel Center with staff from the customer support units if there were a backlog due to manual transactions. Funding had been set aside to cover any travel or overtime costs associated with working through the backlog. In addition to his comments, the Assistant Deputy Chief of Staff provided us with numerous documents to support his comments.

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Audit Response. We appreciated the information provided by the Air Force and urge that it be shared with CPMS. We modified the finding to reflect that CPMS was unable to provide us a copy of the detailed operating procedures for any regional service center on how they would handle the increased workload of manually processing personnel transactions if the civilian personnel system experiences a year 2000 disruption. In a draft version of this report, we stated that the regional service centers had not developed detailed operating procedures. As stated in the report, CPMS required that each of the 22 regional service centers submit a component-specific plan and that the functional and technical representatives certify the viability of the component-specific plans. CPMS officials stated that, as of November 5, 1999, none of the regional service centers had provided them with component-specific plans or certifications as required. We did not contact the individual regional service centers to determine if they had developed detailed operating procedures since CPMS was continuing efforts to get the regional service centers to provide the plans and certifications.

Appendix A. Audit Process

This report is one in a series of reports being issued by the Inspector General, DoD, in accordance with an informal partnership with the DoD Chief Information Officer to monitor DoD efforts to address the year 2000 computing challenge. For a list of audit projects addressing the issue, see the year 2000 web page on the IGnet at http://www.ignet.gov.

Scope

We reviewed documentation dated June 1999 to October 1999. The documentation included policies and procedures issued by the Under Secretary of Defense for Personnel and Readiness and established for the Y2K operational contingency planning for DoD personnel functions. We also reviewed and analyzed the Military Services Y2K operational contingency plans and results of plan exercises for personnel functions.

DoD-wide Corporate Level Government Performance and Results Act Goals. In response to the Government Performance Results Act, the Department of Defense has established 2 DoD-wide corporate level goals and 7 subordinate performance goals for meeting these objectives. This report pertains to achievement of the following goals (and subordinate performance goals):

> **Goal 2:** Prepare now for an uncertain future by pursuing a focused modernization effort that maintains U.S. qualitative superiority in key warfighting capabilities. Transform the force by exploiting the Revolution in Military Affairs and reengineer the Department to achieve a 21st century infrastructure. **Performance Goal 2.2:** Transform U.S. military forces for the future. **(00-DoD-2.2)**

DoD Functional Area Reform Goals. Most major DoD functional areas have also established performance improvement reform objectives and goals. This report pertains to achievement of the following functional area objectives and goals.

- **Information Technology Management. Objective:** Become a mission partner. **Goal:** Serve mission information users as customers. **(ITM-1.2)**

- **Information Technology Management. Objective:** Provide services that satisfy customer information needs. **Goal:** Modernize and integrate Defense information structure. **(ITM-2.2)**

- **Information Technology Management. Objective:** Provide services that satisfy customer information needs. **Goal:** Upgrade technology base. **(ITM-2.3)**

- **Information Technology Management. Objective:** Provide services that satisfy customer information needs. **Goal:** Improve information technology management tools. **(ITM-2.4)**

General Accounting Office High-Risk Area. The General Accounting Office has identified several high-risk areas in the DoD. This report provides coverage of the Information Management and Technology high-risk area

Methodology

Audit Type, Dates, and Standards. We performed this program audit from August 1999 through November 1999, in accordance with auditing standards issued by the Comptroller General of the United States, as implemented by the Inspector General, DoD.

Use of Computer-Processed Data. We did not use computer-processed data to perform this audit.

Contacts During the Audit. We visited or contacted individuals and organizations within DoD. Further details are available on request.

Management Control Program. We did not review the management control program related to the overall audit objective, because DoD recognized the year 2000 computing problem as a material management control weakness in the FY 1998 Annual Statement of Assurance.

Summary of Prior Coverage

The General Accounting Office and the Inspector General, DoD, have conducted multiple reviews related to the year 2000 issues. General Accounting Office reports can be accessed over the Internet at http://www.gao.gov. Inspector General, DoD reports can be accessed at http://www.dodig.osd.mil.

Appendix B. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense (Comptroller)
   Deputy Chief Financial Officer
   Deputy Comptroller (Program/Budget)
Under Secretary of Defense (Personnel and Readiness)
   Director, Civilian Personnel Management Service
Assistant Secretary of Defense (Command, Control, Communications and Intelligence)
   Deputy Chief Information Office and Deputy Assistant Secretary of Defense (Chief
      Information Officer Policy and Implementation)
      Principal Officer for Year 2000
Director, Defense Logistics Studies Information Exchange

Department of the Army

Deputy Chief of Staff for Personnel
Auditor General, Department of the Army
Inspector General, Department of the Army

Department of the Navy

Deputy Chief of Naval Personnel
Deputy Chief of Marine Corps Manpower and Reserve and Affair
Auditor General, Department of the Navy
Inspector General, Department of the Navy
Inspector General, Marine Corps
Superintendent Naval Postgraduate School, Department of the Navy

Department of the Air Force

Assistant Secretary of the Air Force (Financial Management and Comptroller)
Deputy Chief of Staff for Personnel
Auditor General, Department of the Air Force
Inspector General, Department of the Air Force

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Director, Defense Information Systems Agency
Director, Defense Logistics Agency
Director, National Security Agency
    Inspector General, National Security Agency
Inspector General, Defense Intelligence Agency

Non-Defense Federal Organizations and Individuals

Office of Management and Budget
    Office of Information and Regulatory Affairs
General Accounting Office
    National Security and International Affairs Division
        Technical Information Center

Congressional Committees and Subcommittees, Chairman and Ranking Minority Member

Senate Committee on Appropriations
Senate Subcommittee on Defense, Committee on Appropriations
Senate Committee on Armed Services
Senate Committee on Governmental Affairs
Senate Special Committee on the Year 2000 Technology Problem
House Committee on Appropriations
House Subcommittee on Defense, Committee on Appropriations
House Committee on Armed Services
House Committee on Government Reform
House Subcommittee on Government Management, Information, and Technology, Committee on Government Reform
House Subcommittee on National Security, Veterans Affairs, and International Relations, Committee on Government Reform
House Subcommittee on Technology, Committee on Science

Department of the Air Force Comments

DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON, DC

6 DEC 1999

MEMORANDUM FOR ASSISTANT INSPECTOR GENERAL FOR AUDITING

FROM: HQ USAF/DP

SUBJECT   Year 2000 Contingency Plans for Personnel Systems, 24 Nov 99, DoDIG Report
9AL-0053

This is in response to your memorandum requesting the Assistant Secretary of the Air
Force (Financial Management and Comptroller) provide Air Force comments on subject report

The Air Force reviewed the DoDIG Y2K Contingency Plans for Personnel Systems and
nonconcur with the following findings. In the Executive Summary it stated that: "The Civilian
Personnel Management Service developed an operational contingency plan for the civilian
personnel system, but the regional service centers that process the personnel transactions had not
developed the detailed operating procedures on how to handle the increased workload of
manually processing personnel transactions if the civilian personnel system experiences a year
2000 disruption. As a result, a risk exists that the regional service centers would not be able to
effectively handle the increased workload of manual personnel transactions."

We find this information to be incorrect. AFPC/DPC did extensive work in preparing for
a possible contingency situation to include providing both the AFPC and the CSU staffs with
procedures to follow if DCPDS/MDCPDS is not available. Attached are copies of the Y2K
Continuity of Operations Plan, Planning, Preparing, Executing, and Recovering Guides; and the
Modern DCPDS Disaster Recovery Plan (DRP); point papers recently provided to the CSUs, and
an internal "count down" calendar of events leading to 1 Jan 00. This information was provided
to CPMS and the DoDIG (6 Oct 99) well before the requested date of the DoDIG

Also, the comment that "DCPDS remains at risk as long as CPMS regional service
centers are unable to provide contingency plans that detail operating procedures for handling
increased workload of manual transactions", is inaccurate. The AFPC Y2K plan includes
provisions augmenting the AFPC staff with CSU staff should we have a backlog due to manual
transactions. Funding was set aside to cover any TDY or overtime costs associated with working
through a backlog.

We are confident that our Y2K Contingency of Operations Plan will provide us the
support necessary to maintain our operations, if alternate measures are necessary, to off set Y2K
issues.

ROGER M. BLANCHARD
Assistant Deputy Chief of Staff,
Personnel

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Audit Team Members

The Directorate, Office of the Assistant Inspector General for Auditing, DoD, prepared this report.

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